

Brett Agee

From: Charles M. Tatelbaum <cmt@TrippScott.com>
Sent: Wednesday, September 05, 2018 3:27 PM
To: Brett Agee; Jesse R. Cloyd
Subject: RE: Pauls Valley Hospital litigation ★ need revised judgment for approval and entry

AmicusId: 242511
AmicusStatus: Saved
AmicusFileName: PVGH - adv. Sysinformation Healthcare Services, LLC - 188-015
AmicusFileIds: 5059
AmicusDealtWith: Yes
AmicusTimeEntry: Yes

Brett:

In view of the litigation that is now also pending in the US District Court involving Newlife and the possibility of a secured creditor foreclosure, my client is reevaluating whether or not it will record the consent judgment with your language or continue pursue its rights as a junior secured creditor. A decision will be made prior to the expiration of the 60 day window of opportunity as set forth in the court order.

Chuck

This Firm is deemed a "debt collector" under the Fair Debt Collection Practices Act. A portion of our practice involves the collection of debt and any information obtained may be used for that purpose.

From: Brett Agee [mailto:brett.agee@gaclawyers.com]
Sent: Wednesday, September 05, 2018 3:43 PM
To: Jesse R. Cloyd
Cc: Charles M. Tatelbaum
Subject: RE: Pauls Valley Hospital litigation ★ need revised judgment for approval and entry
Importance: High

Jesse and Charles,

I haven't received any response to my emails below. Please send me a revised judgment at your earliest convenience.

Sincerely,



BRETT AGEE

Attorney and Counselor at Law
Admitted in Oklahoma, Colorado and Texas



101 E. GRANT AVENUE ■ P.O. Box 10
PAULS VALLEY, OK 73075
405-238-1000 ■ FAX 405-238-1001

My legal assistant is Georgann Spivey. Whenever she may be able to assist you, please contact her at georgann.spivey@gaclawyers.com or 405-238-1000..

From: Brett Agee
Sent: Monday, August 06, 2018 6:16 PM
To: 'Jesse R. Cloyd'
CC: 'Charles M. Tatelbaum'
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Jesse,

Thank you for your patience.

Here are the issues with the judgment you proposed:

1. The judgment needs to provide that the plaintiff agrees to forebear from taking any action to enforce the judgment so long as either (a) negotiations are ongoing with respect to a sale or other transfer of the hospital's assets, or (b) a sale agreement has been executed, with full and complete disclosure of all terms and conditions, with the proceeds of the sale agreement to be distributed strictly in accordance with the legal priority of creditors. Also, "for which execution may issue forthwith" needs to be deleted. (see Chuck's July 15 email below).
2. The judgment needs to provide that all of the plaintiff's security interests in the assets of PVHA are deemed release and of no further force and effect (see Chuck's July 25 email below).
3. The judgment needs to provide that the \$316,800 is inclusive of interest, costs and attorney fees and that the interest rate is 0% (see Chuck's July 15 email below).

I'll be out of my office all day on Tuesday, but if you'll send me a proposed judgment with the above revisions, I'll review it as quickly as I can after I return on Wednesday.

Sincerely,

BRETT AGEE
Attorney and Counselor at Law
Admitted in Oklahoma, Colorado and Texas



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From: Jesse R. Cloyd [mailto:jrc@TrippScott.com]
Sent: Monday, August 06, 2018 1:58 PM
To: Brett Agee
CC: Charles M. Tatelbaum
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Brett,

I am following up regarding your review of the consent final judgment. Will you be able to provide comments today per your email below?

Thank you,

Jesse

From: Brett Agee [mailto:brett.agee@gaclawyers.com]
Sent: Thursday, August 02, 2018 5:36 PM
To: Jesse R. Cloyd
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Jesse,

I apologize for the delay. I've just been swamped. Please allow me to get with you on Monday.

Here's the latest newspaper article: http://www.paulsvalleydailydemocrat.com/news/local_news/hospital-s-health-gets-close-exam/article_884895c8-f28f-5db4-8d80-b536f3905ed2.html

Sincerely,



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From: Jesse R. Cloyd [mailto:jrc@TrippScott.com]
Sent: Thursday, August 02, 2018 10:09 AM

To: Brett Agee
CC: Charles M. Tatelbaum; 'jsepkowitz@derryberrylaw.com'
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Brett,

Following up on your review of the consent judgment. Please let us know if you have any comments or questions.

Thank you,

Jesse

From: Brett Agee [mailto:brett.agee@gaclawyers.com]
Sent: Friday, July 27, 2018 11:33 AM
To: Jesse R. Cloyd
Cc: Charles M. Tatelbaum; 'jsepkowitz@derryberrylaw.com'
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Jesse,

I have several deadlines that I'm dealing with in other cases over the next few days, but I'll review this and get back to you next week.

Sincerely,



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From: Jesse R. Cloyd [mailto:jrc@TrippScott.com]
Sent: Thursday, July 26, 2018 8:48 AM
To: Brett Agee; 'jsepkowitz@derryberrylaw.com'
CC: Charles M. Tatelbaum
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

All,

Attached for review is the Stipulation for Entry of Consent Judgment and Stipulated Final Consent Judgment. Please let us know if you have any comments or questions.

Thank you,

Jesse

Jesse R. Cloyd

Attorney

phone 954-525-7500 | fax (954) 761-8475 | direct (954) 760-4914
110 SE Sixth Street, Suite 1500, Fort Lauderdale, FL 33301 | www.trippscott.com
Best Place to Work | Florida Trend | South Florida Business Journal

From: Brett Agee [<mailto:brett.agee@gaclawyers.com>]
Sent: Wednesday, July 25, 2018 4:20 PM
To: Charles M. Tatelbaum
Cc: 'jsepkowitz@derryberrylaw.com'; Jesse R. Cloyd
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Chuck,

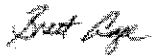
Just after reading your email, I got the filed Administrative Closing Order. You should have one in your email, too. It provides:

On the representation from counsel, the parties have reached a settlement and compromise, it is ordered that the Clerk administratively terminate this action in her records without prejudice to the rights of the parties to file a consent judgment or to reopen the proceeding for good cause shown, for the entry of any stipulation or order, or for any other purpose required to obtain a final determination of the litigation.

If the parties have not filed their consent judgment or reopened this case within 60 days of this date for the purpose of dismissal pursuant to the settlement compromise, Plaintiff's action shall be deemed to be dismissed.

So the case is not dismissed, and this order specifically allows us to submit a consent judgment within 60 days. If for some reason we need an extension on that (and I can't imagine why we would), I'm sure we can get it.

Sincerely,



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From: Charles M. Tatelbaum [<mailto:cmt@TrippScott.com>]
Sent: Wednesday, July 25, 2018 3:04 PM
To: Brett Agee
CC: 'jsepkowitz@derryberrylaw.com'; Jesse R. Cloyd
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Brett:

If the case is closed, how can we enter the consent judgment?

Chuck

This Firm is deemed a "debt collector" under the Fair Debt Collection Practices Act. A portion of our practice involves the collection of debt and any information obtained may be used for that purpose.

From: Brett Agee [<mailto:brett.agee@gaclawyers.com>]
Sent: Wednesday, July 25, 2018 4:03 PM
To: Charles M. Tatelbaum
Cc: 'jsepkowitz@derryberrylaw.com'; Jesse R. Cloyd
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Chuck:

Thank you. I called the judge's law clerk to inquire as to how they want us to handle the tentative settlement agreement. She advised that she will enter an administrative closing order giving us 60 days to file a consent judgment or file motion to reopen.

Sincerely,



BRETT AGEE

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From: Charles M. Tatelbaum [<mailto:cmt@TrippScott.com>]
Sent: Wednesday, July 25, 2018 2:35 PM
To: Brett Agee
CC: 'jsepkowitz@derryberrylaw.com'; Jesse R. Cloyd
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Brett:

Assuming that we can reach agreement on language for a consent judgment and the consent judgment is entered in the action pending in the US District Court in Oklahoma City, my client will then release all of its security interests in the assets of PVCH.

As a result of this, at this time, there is no need for you to respond to the motion to dismiss the counterclaim.

We will work to prepare a draft of the consent judgment to submit to you very promptly.

Chuck

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From: Brett Agee [<mailto:brett.agee@gaclawyers.com>]
Sent: Wednesday, July 25, 2018 12:28 PM
To: Charles M. Tatelbaum
Cc: 'jsepkowitz@derryberrylaw.com'; Jesse R. Cloyd
Subject: RE: Pauls Valley Hospital litigation ★ for settlement purposes only

Chuck,

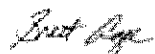
This entire email is for settlement purposes only.

I am authorized to accept your offer provided that it includes an official release of all of your client's security interests in the assets of PVGH and a release of the UCC-1(s). Your client has already waived its security interest by deciding to pursue collection of this debt as unsecured (rather than have the federal case dismissed due to lack of necessary parties (the other security interest holders)), so now we just need an official release in order for the buyer to pledge assets so that the buyer can secure financing in order to consummate the purchase. Negotiations for the sale are ongoing, but of course the sale of this hospital is a very complex transaction, especially given the hospital's financial problems.

All of the other lienholders (including New Light) are also being asked to release their liens in order to allow this sale to happen. If any one of the lienholders balks, that will certainly kill the sale.

I would like to avoid having to finalize and file my response, so please call me as soon as possible. If you call during our noon hour, our voicemail system will answer; please press 119 to ring through to my conference room, where I will be during the noon hour.

Sincerely,



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My legal assistant is Georgann Spivey. Whenever she may be able to assist you, please contact her at georgann.spivey@gaclawyers.com or 405-238-1000.

From: Brett Agee

Sent: Monday, July 16, 2018 3:40 PM

To: 'Charles M. Tatelbaum'


CC: 'jsepkowitz@derryberrylaw.com'; Jesse R. Cloyd (jrc@TrippScott.com)

Subject: RE: Pauls Valley Hospital litigation

Chuck,

Your offer has been forwarded to the appropriate people. I'll let you know when I have a response.

Sincerely,



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From: Charles M. Tatelbaum [<mailto:cmt@TrippScott.com>]
Sent: Sunday, July 15, 2018 8:29 PM
To: Brett Agee
CC: Jerome S. Sepkowitz ; Jesse R. Cloyd
Subject: Pauls Valley Hospital litigation

Brett:

This communication shall constitute a settlement proposal, and is, therefore, protected by Rule 408 of the Federal Rules of Evidence.

In order to reach a settlement with respect to the litigation which is presently pending in the federal court in Oklahoma City, my client is willing to reach an understanding by way of a stipulated consent judgment for a discounted amount due, and, at the same time, will agree to forbear from taking any action to enforce the judgment so long as either (a) negotiations are ongoing with respect to a sale or other transfer of the hospital's assets, or (b) a sale agreement has been executed, with full and complete disclosure of all terms and conditions to my client, with the proceeds of the sale agreement to be distributed strictly in accordance with the legal priority of creditors.

Below is an approximate calculation of the balance due to my client as of this time. This amount is subject to adjustment for the continuing accrual of interest and legal fees, or if my client determines that the calculations need a minor adjustment:

\$354K	Amount owed as of 3/31/17 (from the *
(\$40K)	Payments made by PVGH
\$ 67K	Additional interest since settlement agreement
\$ 15K	<u>Additional legal cost incurred since the settlement agreement</u>
\$396K	Current amount due

*From the 4/11/2017 Termination Agreement (and Promissory Note and Security Agreement).

My client is willing to, for the purposes of settlement discount the balance due of \$396,000 by 20%, and freeze interest and attorneys' fees as of July 25, 2018.

If this proposal is acceptable in principle by your client, then a formal settlement agreement and stipulated judgment will have to be executed in order to formalize the settlement.

Chuck

Charles M. Tatelbaum

Director

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Best Place to Work | Florida Trend | South Florida Business Journal

Admitted in Florida and Maryland.

Member of the Board of Visitors of the Francis King Carey School of Law at the University of Maryland.

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